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FOREIGN SERVICE DESPATCH

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FROM : AMEMBASSY, Taipei DESP. NO. 176

TO : THE DEPARTMENT OF STATE, WASHINGTON

DATE October 23, 1956

REF :

OFFICE OF CHINESE AFFAIRS
OCT 31 1956
DEPARTMENT OF STATE

OCT 26 1956

Action Assigned to

Action Taken

67 For Dept. Use Only	ACTION REC'D 10/29	DEPT. INFO OTHER FE RMR OLI L E U/MSA CIA ARMY AIR

Date of Action 12/26

Action Office Symbol CHP

Name of Officer

SUBJECT: U.S. Army and Air Force Installations at Lin Kou, Taiwan

During his recent visit to Taipei, Major General John B. Ackerman Commander U.S. 13th Air Force, called on the Ambassador and discussed the unsatisfactory living and working conditions of the Army and Air Force special communications and electronics groups stationed at Lin Kou near the northern end of Taiwan. These units, comprising almost 900 officers and men, are engaged in highly classified communications and intercept work and have been at their present location since about February 1955. Since they are not a part of the MAAG, they are not in a position to obtain land or facilities from the Chinese Government without a special agreement.

Provision has been made in the draft of the Status of Forces Agreement for inclusion of these units in its terms and for the use of the areas required at Lin Kou. However, the Agreement is still under negotiation, and it is impossible to state when negotiations will be concluded. In the meantime, the American units involved have obtained land under an informal arrangement with the Ministry of National Defense. Some U.S.$4,000,000.00 has been budgeted for the construction of permanent installations including living and recreational facilities. However, the officers in charge are reluctant to spend United States appropriated funds to any degree until we have a firm arrangement with the Chinese Government for tenure of the necessary land.

General Ackerman said that while questions had arisen on the subject during the past year, it had now been decided that the present location is suitable for the operation of these units. But the question still remains as to how the appropriate funds can be spent without the Bureau of the Budget or Comptroller raising serious objections. The major difficulty is that until something can be done the men are forced to live under field conditions which are totally unsatisfactory and which are detrimental to morale.

The General also brought up the question as to whether the arrangements for exchange of intelligence obtained by these units with the Chinese were working satisfactorily. The Ambassador said

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that to his knowledge the arrangements were working as well as could be expected. He said that he had observed a chronic reluctance on the part of American officers to pass intelligence data to the Chinese, even when it was quite proper to do so. Perhaps as a consequence, but also for the record, the Chinese had attempted to press their demands beyond the point where they hoped they could be met, asking for raw data and information concerning methods of acquisition and even requesting that the highly classified equipment be eventually turned over to them. After many discussions and exchanges of correspondence on the subject, it appears that satisfactory reciprocal arrangements have been worked out which are not contingent upon the conclusion of a Status of Forces or other formal agreement.

In summary, there appears to be no valid reason why the United States should not proceed at once with any necessary construction work in connection with the project at Lin Kou.

For the Ambassador:

Paul W. Meyer.

Paul W. Meyer
Chief of the Political Section

cc: General Ackerman,
C.G. 13th Air Force,
Clark Field, Philippines.